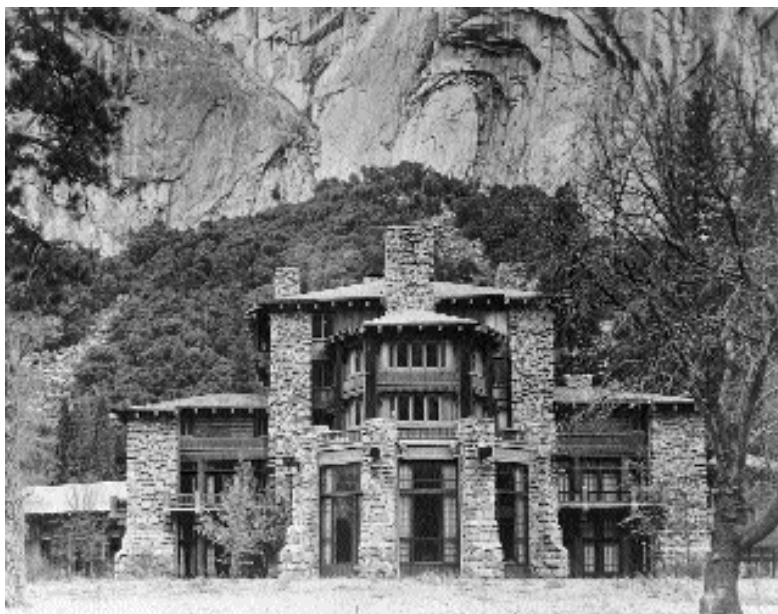


Tax Projects and the National Parks

Preservation tax incentives projects have been undertaken in and around national parks from the early years of the program. The use of preservation tax incentives has helped rehabilitate many historic properties connected with the parks which might otherwise have remained vacant or suffered further deterioration.

- At Yosemite National Park, the Ahwahnee Hotel underwent exterior refurbishing and Best's Studio, where photographer Ansel Adams worked throughout most of his career, was extensively rehabilitated using the Rehabilitation Tax Credits.
- At Boston National Historical Park, over 20 buildings in the original Charlestown Naval Shipyard adjacent to the park have been renovated for private use using the Rehabilitation Tax Credits in a long-term project to redevelop the facility, which closed in 1974, while maintaining the integrity of historic shipyard buildings.
- At Valley Forge National Historical Park, Rehabilitation Tax Credits were used to rehabilitate the Kennedy-Supplee Mansion, a later Victorian residence within the park boundaries, for use as a restaurant.
- At Hot Springs National Park, a number of buildings in the Hot Springs Central Avenue Historic District—a commercial corridor adja-

The use of the Rehabilitation Tax Credits to rehabilitate the historic Ahwahnee Hotel at Yosemite National Park helped maintain an important visitor facility and historic property in the park. Photo courtesy National Park Service.



cent to the park, which developed to serve visitors to the springs—have been rehabilitated using Rehabilitation Tax Credits, helping to maintain the historic integrity of this important border area to the park.

In these and many other tax credit projects, park-related resources have been preserved and maintained in their historic use or given new uses that will allow them to continue to function to the benefit of the parks. It is estimated that over \$200 million has been spent on rehabilitation using tax credits as an incentive in and around the parks.

Projects such as these can benefit parks in a number of ways. If the historic resources are related to a park's mission, the impact of preservation is clear and direct. For those resources which are an integral part of the park, but not directly related to the park's goals, preservation can still be critical to providing visitor services, as is the case at Yosemite. Projects that are outside park boundaries, but adjacent to the park, will still have an impact by helping to preserve the environment around the park and by providing visitor services as well.

Making a project work in a park can present a unique challenge to both park cultural resources management and to the tax incentives program. A number of privately-owned historic properties within park boundaries have been rehabilitated using tax credits, but there are many federally-owned properties which are potential candidates for the program as well. Since the tax credits are available to private investors only, some of these historic federally-owned properties have been leased to private developers, who then have used the credits to help finance a rehabilitation project through a program authorized by Section 111 of the National Historic Preservation Act. While the leasing situations can sometimes be complex, this program has extended the life of a number of historic park buildings, rescuing them from decay or destruction in some cases and maintaining their potential to contribute to the park environment and operations.

The following examples will give some idea of the variety of ways tax credits have been used to preserve historic resources that have an impact on national parks. Two in particular show how tax credits can be used as part of an overall redevelopment plan, preserving park-related resources within the context of a park's mission and goals.

Lowell, Massachusetts, grew over its history from a small agrarian village to one of the most important centers of the textile industry in this country. Despite the decline of that industry in the area in the 20th century, many of the buildings and much of the infrastructure that contributed to Lowell's history remained until their historical

importance began to be recognized in more recent years. In 1975, Congress created the Lowell Historic Canal District Commission and charged it with preparing a plan to guide future preservation efforts in the city. Two years later, the Commission produced a report which recommended the creation of a Lowell National Cultural Park as a joint undertaking between the National Park Service and the Massachusetts Department of Environmental Management, "to preserve Lowell's historical and cultural resources and to interpret the city's special role in the American Industrial Revolution." This arrangement, unique in the national park system at the time, encouraged cooperative undertakings at the local, state, and national level to identify and preserve Lowell's nationally-significant resources in a comprehensive manner.

The tax incentives program fit into this framework as one of a number of tools, including grants, loans, easements, and technical assistance, which were advocated by the Commission's Preservation Plan for Lowell to facilitate preservation and rehabilitation efforts. Tax credits have been used over the years in two major private rehabilitation projects in the park, at Boott Mills and Wannalancit Mills (formerly the Suffolk Manufacturing Company), and in several smaller projects, including the Bon Marche building and Old City Hall within the park boundaries and the Lincoln, Nesmith, and Derby Electric buildings in the preservation district adjacent to the park. Use of the tax credit program in these projects reinforced the standards for preservation set out in the Commission report by invoking adherence to the *Secretary's Standards for Rehabilitation* as part of the renovation process, assuring that the mill complexes and other buildings would be preserved in a state as close to the original as was practically possible. Preserving these buildings through tax credit-based rehabilitations created an opportunity at that time to revive the local economy by taking advantage of the historic character of the town as a basis for drawing tourists to the area and moving the area to a more service-based economy.

A current redevelopment project can be found at the Presidio in San Francisco, where tax credits are an integral part of an innovative plan to rehabilitate several buildings in the historic Letterman Hospital complex and generate income for their maintenance. The original Letterman Hospital was built between 1899 and 1902 in the aftermath of the Spanish-American War, when the need for a permanent Army hospital on the West Coast became evident. It was added to over the years into the 1930s, creating a campus arrangement around a grass courtyard, with covered galleries connecting individual pavilions around the

central area to allow ease of movement and access to fresh air and light for patients. The complex served soldiers' needs through both World Wars and the Korean and Vietnam wars as well as in times of peace, quickly gaining a reputation for quality medical care.

By the 1970s, however, the original buildings were falling into disuse. A number of buildings, largely on the western side of the complex, were demolished to allow for new construction, and the remaining buildings were leased as office space, leaving their future uncertain. On October 1, 1994, the entire Presidio, a former U.S. Army base, became part of the Golden Gate National Recreation Area as a result of the Base Realignment and Closure Act of 1993. By that time, the National Park Service was finalizing a long-term lease of the Letterman buildings with the Tides Foundation, which serves as an umbrella organization for a number of environmentally-oriented groups.

The Tides Foundation used tax credits to rehabilitate the Administration Building and three former hospital ward buildings to house offices, classrooms, and public exhibit space to create the Thoreau Center for Sustainability, dedicated to collaborative efforts between the public and its participating organizations in fostering greater awareness of environmental issues. By bringing in this group of self-sustaining organizations to lease the space, the National Park Service was able to meet its goals of preserving and maintaining contributing elements of the Presidio (a National Historic Landmark), generating long-term revenues, and using the space in a manner compatible with its history. A second phase will continue this work, rehabilitating several other buildings in the hospital complex and bringing more organizations together under the Tides Foundation's coordination.

Besides preserving buildings that help define the character of a park, the tax credit program has been used to maintain buildings that are also central to park operations. Grand Canyon National Park provides an instance in which tax credits were used to take advantage of circumstances particular to the park's history and rehabilitate a number of buildings that historically have provided visitor services. The history of tourism at the Grand Canyon is closely connected to the Fred Harvey Company, which developed traveler accommodations for the Atcheson, Topeka & Santa Fe Railway along its routes and which maintained a presence on the South Rim from the arrival of the railroad there in 1901, well before the establishment of the park itself in 1919.

Many of the buildings in Grand Canyon Village on the South Rim were originally built by

the company for visitor accommodations or for support of company operations there, including the El Tovar Hotel, built in 1904–1905, and the Bright Angel Lodge and Cabins, built between 1933 and 1936. The company has owned and operated these properties up to the present, and in the 1980s, it sought to rehabilitate the buildings under the tax credit program, gaining certification of the El Tovar Hotel in 1983 and the Bright Angel Lodge in 1990.

Another commercial operation on the South Rim predating the park's existence, Verkamp's Store, was built in 1905 and has remained under the same family's ownership to the present, specializing in sales of Indian arts and crafts to visitors. It also underwent rehabilitation in the 1980s, gaining a tax credit certification in 1984. All of these properties have been an important part of the park's history and visitor operations and their rehabilitation has allowed them to continue to function in that role.

Tax credit projects have frequently been undertaken as well in areas bordering National Park Service properties. As has been noted, these projects can have an impact on park visitation and operations, either by helping to preserve the environment in which the park is located or helping to draw in and serve visitors through commercial activities in newly-renovated structures. At Independence National Historical Park, four buildings in and around the park have been rehabilitated using tax credits.

Within the park on its eastern edge, the Thomas Bond house was built in 1769 as a residence for a prominent Philadelphia doctor. While its architectural and historical significance contribute to the history of the Old City Historic District, in which it is also located, it is not a primary element in interpreting the park's history, and for that reason the park decided to lease the building to maintain it. A proposal by Thomas Bond Associates, Ltd., to turn the building into a bed and breakfast was accepted, and a rehabilitation using tax credits was completed in 1988. It is

now one of the only 18th-century buildings remaining in that section of the park.

Directly adjacent to the park, three landmark buildings have also been rehabilitated under the program. One block north of the Bond house, facing the park on Chestnut Street, the Elliott Building was also reno-

vated for use as a bed and breakfast, the Independence Park Inn. Built in 1856 by Joseph C. Hoxie for merchant Jacob S. Elliott, the building is a standout example of commercial Italianate architecture in the area. It is also one of the few surviving examples of Hoxie's commercial work in Philadelphia and stands in an intact row of 13 mid-19th-century commercial structures.

Four blocks to the west, facing both Washington and Independence squares and just southwest of Independence Hall, the imposing Curtis Building, built between 1911 and 1914 with two upper floors added in 1921, was renovated to provide roughly 750,000 square feet of prime office space, one of the largest projects in the history of the tax credit program. For over 50 years the Classical Revival building housed the Curtis Publishing Company, which produced the *Saturday Evening Post*, *Ladies Home Journal*, and *Country Gentleman*, among many other titles, and serves today as an anchor to the East Center City Commercial Historic District.

Northeast of Independence Hall, on the east border of Independence Mall, the Philadelphia Bourse building was renovated in the early years of the program for use as a shopping mall with office space on the upper floors, designed to serve park visitors as well as local residents, office workers in the area, and shoppers around the region. Built between 1893 and 1895 as the city's stock exchange, it served in that capacity until the Depression, remaining vacant for many years afterward until rehabilitation began in the late 1970s. All three buildings are important features of the urban environment surrounding Independence National Historical Park, and their preservation and maintenance continue to help stabilize the park's border areas.

These are just a few examples of the ways the Preservation Tax Incentives program has been used to preserve and maintain park-related historic properties. From large-scale, long-term projects to small individual buildings, in and around urban historical parks as well as in scenic rural parks, tax projects have succeeded in a variety of settings and situations. The buildings have been preserved, helping to maintain the historic settings in which they are located and allowing them to continue to contribute to the parks to which they are connected. They also serve as guides and examples for what can be achieved in similar projects, and the potential is great for more park-related projects in the future.

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The Letterman Hospital Administration Building at the Presidio, San Francisco, is being rehabilitated for the Thoreau Center for Sustainability, using the Rehabilitation Tax Credits. Photo courtesy Richard Barnes.

